

group's dubious honor . . . for blocking a bill to back inspectors general in their battles against waste, fraud, abuse, and mismanagement and refusing to provide a full explanation on why he did so.

Then, just over this weekend, the editorial board of this same newspaper wrote an opinion piece entitled, "Let the sun shine in." Let me just read an excerpt from this article:

Because Sen. Grassley's bill has attracted bipartisan support, and because Republicans and Democrats jointly have objected to efforts to thwart IGs from doing their jobs, we're confident that compromise is possible . . . We urge Sens. Reid and Grassley to work together to pass this important legislation as quickly as possible.

As I mentioned earlier, the bipartisan group of cosponsors and I have already offered half a dozen accommodations to address the concerns related to the subpoena authority provision. All of those offers are still on the table, and we stand ready to work with Senator REID and the other Senator to get this bill done; in a way that improves IG access to both documents and witness testimony.

Remember, the Inspector General Act was passed in 1978, following one of the worst political scandals in American history. Today, at least 61 Senators, the Las Vegas Review-Journal, the New York Times, the Washington Post, and good governance groups like POGO and Citizens Against Government Waste, all support restoring the intent of that act—through S. 579. This bill would redeem the free flow of information that Senator LEAHY advocated in August. And every day that goes by without overturning the OLC opinion is another day that watchdogs across the government can be stonewalled.

Let me be clear. Only one Senator is publicly standing in the way of fixing this problem. Who is the obstructionist here? Who is not doing their job? We need to find a way to get this bill done. Especially now, we need to focus on the things we can agree on. When there is something with this much bipartisan support, it should be a no-brainer. One or two Senators should not be allowed to stand in the way.

I urge my colleagues to work with me to get S. 579 passed so that IGs can resume doing the work that we asked them to do in 1978.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

DEFEND TRADE SECRETS BILL

Ms. KLOBUCHAR. Mr. President, I rise today to speak in support of the Defend Trade Secrets Act, which is before us today. I thank Senators HATCH and COONS for their important work on this bill and Chairman GRASSLEY and Ranking Member LEAHY for their leadership as well.

Stolen trade secrets cost American companies—and thus their workers—billions of dollars each year and threaten their ability to innovate and com-

pete globally. This bill will help protect vital intellectual property, and I am pleased to be a cosponsor.

Trade secrets are the lifeblood of so many businesses in America. Stealing those ideas can wipe out years of research by employees and development and cost millions of dollars in losses because competitors—those that steal the secrets—reap the benefits of innovation without putting in any of the work. Although measuring the total cost of trade secret theft is difficult, one study using multiple approaches estimates the yearly cost at 1 to 3 percent of the U.S. gross domestic product.

Today, as much as 80 percent of companies' assets are intangible, the majority of them in the form of trade secrets. This includes everything from financial, business, scientific, technical, economic, and engineering information to formulas, designs, prototypes, processes, procedures, and computer code. Trade secret theft poses a particular risk for my home State of Minnesota, which has a strong tradition of innovation and bringing technological advances to the marketplace. Our companies have brought the world everything from the pacemaker to the Post-it Notes. Protecting their intellectual property is critical to their economic success, critical to our businesses, and, most importantly, critical to the workers and employees who make their living in American businesses.

Here are some examples of what we are talking about and the costs when trade secret thefts occur.

In 2011 a former employee of the Minnesota agricultural company Cargill stole trade secrets of Cargill and Dow Chemical regarding a product and gave them to a Chinese university. The two companies suffered combined losses of over \$7 million. Fortunately, the former employee was caught, convicted, and received 87 months in prison—the strongest sentence possible. But look at the loss that occurred—\$7 million.

That same year, an employee of a Minnesota paint company, Valspar, tried to steal \$20 million worth of chemical formulas to give to a Chinese company in exchange for a high-ranking job. That really happened. The authorities caught him before he completed his theft, and he received a sentence of 15 months in jail.

But too many thefts go unprosecuted, and the costs go beyond simply dollars and cents. Medical device makers Medtronic and Boston Scientific hope to bring advanced care to patients in China. These companies would like to do even more but fear they won't be able to protect sensitive proprietary technology, and that holds them back. Stronger protection of trade secrets will benefit consumers across the world as well as trade secret owners.

In 1996 Congress enacted the Economic Espionage Act, which made economic espionage and trade secret theft

a Federal crime. Nearly 20 years later, the threat of trade secret theft has grown. Thumb drives and the cloud have replaced file cabinets for storage information, making stealing a trade secret as easy as clicking a button or touching a screen. Trade secret theft threatens not just businesses but jobs and, certainly, innovation.

Protecting the intellectual property of American businesses needs 21st century solutions. The Defend Trade Secrets Act demonstrates our commitment at the Federal level to protect all forms of a business's intellectual property. This balanced bill gives companies two more tools to effectively protect their trade secrets.

First, a party can seek an ex parte court order to seize stolen trade secrets to prevent their destruction or dissemination. To prevent abuse, the requirements to obtain an order are rigorous, access to the seized material is limited, and it is only available in what are considered "extraordinary circumstances."

Second, the bill creates a Federal private right of action for trade secret theft. Companies will be able to rely on a national standard to efficiently protect their intellectual property.

Securing the trade secrets of American businesses and their employees is a serious issue and needs to be addressed, and I urge my colleagues to support the Defend Trade Secrets Act. I yield the floor.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEFEND TRADE SECRETS BILL

Mr. HATCH. Mr. President, later this evening, the Senate will vote on the Defend Trade Secrets Act, a bill that will enable U.S. businesses to protect their trade secrets in Federal court. Senator CHRIS COONS and I have been working on this legislation in a bipartisan way for nearly 2 years, so it is really satisfying to see the Senate poised to vote on this important bill.

To date, the legislation has 65 bipartisan cosponsors, including the distinguished Senate Judiciary Committee chairman, CHUCK GRASSLEY, and ranking member, the distinguished Senator PAT LEAHY. I appreciate their support for this bill.

I also commend our House colleagues, Representatives DOUG COLLINS and JERROLD NADLER, for their tireless efforts—and others over there as well. They have been invaluable partners in advancing this legislation in the House of Representatives. Working under the capable leadership of my dear friend, House Judiciary Committee Chairman